

GLOSSARY

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General

British Thermal Unit (Btu): A standard unit of energy equal to the quantity of heat required to raise the temperature of 1 pound of water by 1 degree Fahrenheit (F).

Class of Service: A group of customers with similar characteristics (e.g., residential, commercial, industrial, sales for resale, etc.) identified for the purpose of setting a utility rate structure.

Cogeneration: A process that sequentially produces useful energy (thermal or mechanical) and electricity from the same energy sources.

Consumer Price Index (CPI): This index is issued by the U.S. Department of Labor, Bureau of Labor Statistics as a measure of average changes in the retail prices of goods and services.

Demand-Side Management: Utility activities designed to reduce customer use of natural gas or electricity or change the time pattern of use in ways that will produce desired changes in the utility load.

End-Use Sectors: Energy use is assigned to the major end-use sectors according to the following guidelines as closely as possible:

Residential sector: Energy consumed by private household establishments primarily for space heating, water heating, air conditioning, cooking, and clothes drying.

Commercial sector: Energy consumed by non-manufacturing business establishments, including motels, restaurants, wholesale businesses, retail stores, laundries, and other service enterprises; by health, social, and educational institutions; and by federal, state, and local governments.

Industrial sector: Energy consumed by manufacturing, construction, mining, agriculture, fishing, and forestry establishments.

Transportation sector: Energy consumed to move people and commodities in both the public and private sectors, including military, railroad, vessel bunkering, and marine uses, as well as the pipeline transmission of natural gas.

Electric utility sector: Energy consumed by privately and publicly owned establishments that generate electricity primarily for resale.

Fossil Fuel: Any naturally occurring fuel of an organic nature, such as coal, crude oil, and natural gas.

Fuel: Any substance that, for the purpose of producing energy, can be burned,

otherwise chemically combined, or split or fused in a nuclear reaction.

Implicit Price Deflator: A measure over time of price changes of goods and

services. Unlike the Consumer Price Index, it is not based on surveys of the cost of a theoretical "market basket" of items, but rather is derived from data collected for the National Income Accounts. For this reason, it reflects price changes in actual current patterns of production and consumption.

Nominal Dollars: Dollars that measure prices that have not been adjusted for the effects of inflation. Nominal dollars reflect the prices paid for products or services at the time of the transaction.

Real Dollars: Dollars that measure prices that have been adjusted for the effects of inflation, using an index such as the Implicit Price Deflator (see [Implicit Price Deflator](#)).

Renewable Energy: Energy obtained from sources that are essentially sustainable (unlike, for example, the fossil fuels, of which there is a finite supply). Renewable sources of energy include wood, waste, solar radiation, falling water, wind, and geothermal heat.

Short Ton: A unit of weight equal to 2,000 pounds. All tonnages used in this publication are in short tons.

Coal

Average Mine Price: The total value of the coal produced at the mine divided by the total production tonnage (see [F.O.B. Mine Price](#)).

Coal: A black or brownish-black solid combustible substance formed by the partial decomposition of vegetable matter without free access to air and under the influence of moisture and, often, increased pressure and temperature. The rank of coal (anthracite, bituminous, subbituminous,

and lignite) is determined by its heating value.

Anthracite: Hard and jet black with a high luster, it is the highest rank of coal and is mined in northeastern Pennsylvania. Anthracite contains approximately 22 to 28 million Btu per ton as received.

Bituminous: The most common coal, it is soft, dense, and black with well-defined bands of bright and dull material. Bituminous is ranked between anthracite and subbituminous and is mined chiefly in Kentucky, Pennsylvania, and West Virginia. The heating value ranges from 19 to 30 million Btu per ton as received.

Lignite: A brownish-black coal of the lowest rank; it is mined in North Dakota, Montana, and Texas. The heat content of lignite ranges from 9-17 million Btu per ton as received.

Subbituminous: A dull black coal ranking between lignite and bituminous; it is mined chiefly in Montana and Wyoming. The heat content of subbituminous coal ranges from 16 to 24 million Btu per ton as received.

Coal Rank: A classification of coal based on fixed carbon, volatile matter, and heating value.

F.O.B. Mine Price: The "free on board" mine price. This is the price paid for coal measured in dollars per short ton at the mining operation site and, therefore, does not include freight/shipping and insurance costs.

Surface Mine: A mine producing coal that is usually within a few hundred feet of the

earth's surface. Overburden (earth above or around the coal) is removed to expose the coal bed. The bed is then mined using surface excavation equipment such as draglines, power shovels, bulldozers, loaders, and augers.

Underground Mine: A mine tunneling into the earth to the coal bed. Underground mines are classified according to the type of opening used to reach the coal—i.e. drift (level tunnel), slope (inclined tunnel), or shaft (vertical tunnel).

Electricity Supply and Demand

Average Megawatt: A unit of energy output over a specified time period. For a year, it is equivalent to the total energy in megawatt-hours divided by 8,760 (the number of hours in a year).

Capacity: The amount of electric power which a generator, turbine, transformer, transmission circuit, station, or system is capable of producing or delivering.

Demand: The rate at which electric energy is delivered to a system, part of a system, or piece of equipment at a given instant or during a designated period of time (see Load).

Generation (Electric): The production of electric energy from other forms of energy; also, the amount of electric energy produced, expressed in kilowatt-hours (kWh).

Gross: The total amount of electric energy produced by the generating units in a generating station or stations, measured at the generator terminals.

Net: Gross generation less the electric energy consumed at the generating station for station use. (Energy required for pumping at pumped-storage plants is regarded as plant use and is subtracted from the gross generation and from hydroelectric generation.)

Gigawatt (GW): One billion watts.

Gigawatt-hour (GWh): One billion watt-hours.

Hydroelectric Power Plant: A plant in which the turbine generators are driven by falling water.

Kilowatt (kW): One thousand watts. The kW is the basic unit of measurement of electric power.

Kilowatt-hour (kWh): One thousand watt-hours. The kWh is the basic unit of measurement of electric energy, and is equivalent to 3,412 Btu.

Megawatt (MW): One million watts.

Megawatt-hour (MWh): One million watt-hours.

Nameplate Capacity: The full-load continuous rating of a generator, prime mover, or other electrical equipment under specified conditions as designated by the manufacturer. Installed station capacity does not include auxiliary or house units. Nameplate capacity is usually shown on the manufacturer's identification plate attached mechanically to the equipment. Because manufacturers have differing standards, there may be no fixed relationship between "nameplate capacity" and maximum sustainable capacity.

Load (Electric): The amount of electric power required by equipment in use at a given time at any specific point or points on a system.

PURPA: Public Utility Regulatory Policies Act of 1978. First federal legislation requiring utilities to buy power from qualifying independent power producers.

Qualifying Facilities: Small power producers or cogenerators that meet the Federal Energy Regulatory Commission's or the Montana Public Service Commission's size, fuel source, and operational criteria as authorized by PURPA.

Steam-Electric (Conventional) Plant: A plant in which the prime mover is a steam turbine. The steam used to drive the turbine is produced in a boiler by heat from burning fossil fuels (see Fossil Fuel and Fuel).

Watt: The electrical unit of power or rate of doing work. A watt is the rate of energy transfer equivalent to 1 ampere flowing under pressure of 1 volt at unity power factor (volt and ampere in phase). It is analogous to horsepower or foot-pound-per-minute of mechanical power. One horsepower is equivalent to approximately 746 watts.

Electricity Transmission

AC/DC/AC converter station: A back-to-back installation that takes Alternating Current power on one side, rectifies it to Direct Current, and then inverts the Direct Current back to Alternating Current in phase with a different system. These stations provide for power transfers between separate synchronous grids. They use the same equipment—AC/DC rectifiers and

DC/AC inverters—that are required at each end of a long distance DC transmission line.

ATC: (Available Transmission Capacity) is calculated by subtracting committed uses and existing contracts from total rated transfer capacity.

Contract Path: A path across portions of the interconnected grid, owned by two or more different owners, for which a transaction has gained contractual permission from the owners or other rights holders with transferable rights.

Distribution: Relatively small, low voltage wires used for delivering power from the transmission system to local electric substation and to electric consumers. Compare with Transmission.

ERCOT: The Electric Reliability Council of Texas, a separate synchronous grid connected only by AC/DC/AC converter stations to the Western Interconnection and the Eastern Interconnection.

FERC: Federal Energy Regulatory Commission (formerly the Federal Power Commission). The federal agency that regulates interstate and wholesale power transactions including power sales and transmission services, as well as licensing of dams on rivers under federal jurisdiction.

High voltage: Voltage levels generally at above 69 kV. Some utilities also count 50 and 69 kV lines as transmission lines. Transmission lines in Montana are built at voltage levels of 100 kV, 115 kV, 161 kV, 230 kV and 500 kV. In other states lines have also been built at 345 kV and 765 kV. Canadian utilities build at still other voltage levels. Direct current transmission lines have been built at +/- 400 kV, which may sometimes be described as 800 kV.

Impedance: A measure of the composite force that must be used to push power through an Alternating Current transmission line. Impedance is composed of resistance, inductance and capacitance. Resistance is a property of the wire itself and is also present in DC circuits. Impedance is a function of expanding and collapsing magnetic fields in coils (such as transformers) in AC circuits. Capacitance is a function of expanding and collapsing electric fields in parallel wires in AC circuits. Neither impedance nor capacitance is relevant to DC transmission.

Inadvertent Flows: Portions of power transactions that flow over portions of the interconnected grid that are not on the contract path for the transaction.

IndeGO: “Independent Grid Operator” A failed effort, roughly 1998-1999, to form an organization that would have taken over operation of the Northwest transmission system. The effort was revived and superceded by the RTO West discussions.

Loop Flow: A characteristic of mass power flows across the Western Interconnection in which seasonal flows in the summer from the Northwest to California, nominally shipped south over the North-South California Intertie, flow in part around the eastern part of the interconnection through Montana, Utah and Arizona and then back into California in a clockwise direction. In the winter seasonal flows from California to the Northwest over the Intertie also flow in part counter-clockwise through the same sections of the grid. A similar phenomenon is associated with seasonal shipment of power from Arizona to California, where portions of the power flow counter-clockwise up to Montana and Idaho, into the

Northwest and then south into California over the North-South Intertie.

Phase Shifter: A device for controlling the path of power flows in Alternating Current circuits.

Reliability: The characteristic of a transmission system (or other complex system) of being able to provide full, uninterrupted service despite the failure of one or more component parts.

Synchronous: Operating at the same frequency and on the same instantaneous power cycle. The Western Interconnection is a synchronous grid, which means all generators in the western grid are producing power in phase with each other (always at the same point on the same sine wave). Other synchronous grids in North America include ERCOT, Quebec, and the Eastern Interconnection (the entire continental U.S. except for ERCOT and the Western Interconnection).

Total Transfer Capacity: The rated ability of a transmission line, or group of related transmission lines, to carry power while meeting the regionally accepted reliability criteria.

Transmission: High voltage electric wires used for bulk movement of large volumes of power across relatively long distances. Compare with Distribution, which is composed of relatively smaller, lower voltage wires used for delivering power from the transmission system to local electric substation and to electric consumers.

Unscheduled Flows: See Inadvertent Flows.

Western Interconnection: The interconnected, synchronous transmission

grid extending from British Columbia and Alberta in the north, to the U.S.-Mexican border in the south, and from the Pacific Coast to a line extending from the Alberta-Manitoba border through eastern Montana, eastern Wyoming, western Nebraska and the extreme west part of Texas.

West of Hatwai: A transmission path consisting of ten related transmission lines that are generally located in the area west and south of Spokane, WA. The West of Hatwai path is a bottleneck for power flowing from Montana to the West Coast and California and it is relatively heavily used.

Natural Gas

Bcf: One billion cubic feet.

Gas Condensate Well: A gas well that produces from a gas reservoir containing considerable quantities of liquid hydrocarbons in the pentanes and heavier range generally described as "condensate."

Gas Well: A well that is completed for the production of gas from either nonassociated gas reservoirs or associated gas and oil reservoirs.

Gross Withdrawals: Full well stream volume excluding condensate separated at the lease.

Lease Condensate: A natural gas liquid recovered from gas well gas (associated and nonassociated) in lease separators or natural gas field facilities. Lease condensate consists primarily of pentanes and heavier hydrocarbons.

Liquefied Petroleum Gases (LPG): Propane, propylene, butanes, butylene,

butane-propane mixtures, ethane-propane mixtures, and isobutane produced at refineries or natural gas processing plants, including plants that fractionate raw natural gas plant liquids.

Marketed Production: Gross withdrawals less gas used for repressuring, quantities vented and flared, and nonhydrocarbon gases removed in treating or processing operations.

Mcf: One thousand cubic feet.

MMcf: One million cubic feet.

Natural Gas: A mixture of hydrocarbon compounds and small quantities of various nonhydrocarbons existing in the gaseous phase or in solution with crude oil in natural underground reservoirs at reservoir conditions. The principal hydrocarbons usually contained in the mixture are methane, ethane, propane, butane, and pentanes. Typical nonhydrocarbon gases that may be present in reservoir natural gas are carbon dioxide, helium, hydrogen sulfide, and nitrogen. Under reservoir conditions, natural gas and the liquefiable portions occur either in a single gaseous phase in the reservoir or in solution with crude oil, and are not distinguishable at the time as separate substances.

Natural Gas-Associated-Dissolved:

The combined volume of natural gas that occurs in crude oil reservoirs either as free gas (associated) or as gas in solution with crude oil (dissolved).

Natural Gas-Dry: The actual or calculated volumes of natural gas that remain after the liquefiable hydrocarbon portion has been removed from the gas stream (e.g., gas after lease, field,

and/or plant separation), and any volumes of nonhydrocarbon gases have been removed where they occur in sufficient quantity to render the gas unmarketable.

Natural Gas-Nonassociated: Natural gas not in contact with significant quantities of crude oil in a reservoir.

Natural Gas-Wet After Lease Separation: The volume of natural gas remaining after removal of lease condensate in lease and/or field separation facilities, if any, and after exclusion of nonhydrocarbon gases where they occur in sufficient quantity to render the gas unmarketable. Natural gas liquids may be recovered from volumes of natural gas, wet after lease separation, at natural gas processing plants.

Natural Gas Liquids: Those hydrocarbons in natural gas that are separated from the gas through the processes of absorption, condensation, adsorption, or other methods in gas processing or cycling plants. Generally, such liquids consist of propane and heavier hydrocarbons and are commonly referred to as condensate, natural gasoline, or liquefied petroleum gases. Where hydrocarbon components lighter than propane are recovered as liquids, these components are included with natural gas liquids.